

(3) Notwithstanding the provisions of this subsection, no tax is paid on issuance of any certificate of title if the owner of the vessel for which a certificate of title is sought was the owner of the vessel prior to June 1, 1965, or if he paid Maryland sales tax on the vessel as required by law at the time of acquisition. The Department may require the applicant for titling to submit satisfactory proof that he owned the vessel prior to June 1, 1965.

[(4) IF A DEALER COLLECTS THE TAX FOR THE DEPARTMENT, THE DEALER MAY CREDIT AGAINST THE AMOUNT OF TAX COLLECTED AN AMOUNT EQUAL TO 2 PERCENT OF THE GROSS TAX COLLECTED TO COVER HIS EXPENSE IN THE COLLECTION AND REMITTANCE OF THE TAX.

(5) IF THE DEPARTMENT FINDS THAT A DEALER DOES NOT HAVE ADEQUATE RECORDS OR HAS INCORRECT RECORDS OF SALES OR REALES OF NEW OR USED VESSELS AND THAT THE AMOUNT OF TITLE TAX COLLECTED FOR THE DEPARTMENT ON THESE SALES CANNOT BE ACCURATELY DETERMINED, THE DEPARTMENT SHALL DETERMINE THE TAXABLE SALES OF THE DEALER FOR ANY PERIOD INVOLVED AND COMPUTE THE TAX FROM THE BEST INFORMATION AVAILABLE. THE DETERMINATION OR COMPUTATION SHALL BE PRIMA FACIE CORRECT.

(6) IF THE DEPARTMENT DETERMINES THE SALES OF NEW OR USED VESSELS AND COMPUTES THE TAX DUE, IT SHALL LEVY AGAINST THE DEALER A DEFICIENCY ASSESSMENT IN THE AMOUNTS SPECIFIED IN ARTICLE 81, § 345(1) AND (2). THE DEPARTMENT SHALL NOTIFY THE DEALER OF THE TAX DUE AND OF THE AMOUNT OF THE DEFICIENCY ASSESSMENT. IF THE DEALER FAILS TO PAY THE TAX AND ASSESSMENT WITHIN TEN DAYS AFTER RECEIVING NOTICE FROM THE DEPARTMENT, THE DEPARTMENT SHALL LEVY, IN ADDITION TO THE TAX AND ASSESSMENT, A PENALTY IN THE AMOUNT OF 25 PERCENT OF THE TAX DUE.

(7) IF ANY DEALER FAILS TO KEEP ANY RECORDS OF SALES OF VESSELS, THE DEPARTMENT MAY COMPUTE THE TAX DUE AS PROVIDED IN ARTICLE 81, § 357(B).

(8) THE DEPARTMENT MAY ADOPT REASONABLE RULES AND REGULATIONS SIMILAR TO THOSE IN ARTICLE 81, § 346 TO IMPLEMENT THIS SECTION.

(c) A person is not required to pay the tax provided for in subsection (b) OF THIS SECTION to obtain a certificate of title resulting from[;]:

(1) A transfer between members of the immediate family as determined by Department rules and regulations;

(2) A transfer between licensed dealers in vessels for resale;

[(3) Sale or transfer of a vessel or boat not required to be titled under this subtitle;]